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Global Environment Facility: amendments to GEF Instrument

Note by the Administrator

Summary

Upon the recommendation of the Global Environment Facility (GEF) Council, the Fifth GEF Assembly, held in Cancún, Mexico on 28-29 May 2014, approved amendments to the Instrument for the Establishment of the Restructured Global Environment Facility (GEF Instrument). The amendments to the Instrument address five matters:

1. Confirmation that the GEF shall operate as one of the entities comprising the financial mechanism of the Minamata Convention on Mercury, which shall provide guidance on overall strategies, policies, programme priorities and eligibility for access to and utilization of financial resources;
2. Reorganization of paragraph 6, in order to separate the GEF role for each convention it serves;
3. Replacement of the focal areas of ozone layer depletion and of persistent organic pollutants by the focal area of chemicals and waste;
4. Update of the eligibility criteria of countries to receive GEF funding, to reflect changes in the UNDP target for resource assignments from the core (specifically TRAC-1 and/or TRAC-2); and the World Bank's provision of grants to less developed countries; and
5. Inclusion of references to the Independent Evaluation Office.

In accordance with paragraph 34 of the GEF Instrument, the amendments may become effective only after adoption by the three GEF Implementing Agencies (UNDP, United Nations Environment Programme (UNEP) and the World Bank) and the Trustee (World Bank). The United Nations Environment Assembly of UNEP adopted the amendments in full at its first meeting in June 2014. The World Bank Board of Directors is scheduled to consider the proposed amendments in late July 2014.

The present document describes the above five amendments to the GEF Instrument proposed for adoption and outlines their rationale and key implications for UNDP. It is recommended that the Executive Board adopt the amendments.

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Elements of a decision

The Executive Board may wish to consider the adoption of a decision along the lines suggested below:

The Executive Board

1. *Takes note* of the Note of the Administrator concerning proposed amendments to the Instrument for the Establishment of the Restructured Global Environment Facility (DP/2014/23);

2. *Decides* to adopt the amendments to the Instrument for the Establishment of the Restructured Global Environment Facility as approved by the Fifth Assembly of the Global Environment Facility held in Cancún, Mexico on 28-29 May 2014;

3. *Requests* the Administrator to transmit the present decision to the Chief Executive Officer and Chairperson of the Global Environment Facility.

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I. Background

1. The Global Environment Facility (GEF) was established in 1991 as a pilot programme to assist in the protection of the global environment and to promote environmentally sound and sustainable economic development. The GEF was structured as a partnership between the World Bank, UNDP and the United Nations Environment Programme (UNEP). In 1994, the GEF was restructured and a GEF Assembly, GEF Council and GEF secretariat were established, as was the position of Chief Executive Officer (CEO) and Chairperson. Under the restructured GEF, the World Bank, UNDP and UNEP serve as implementing agencies of the GEF, and the World Bank additionally serves as the GEF Trustee.

2. The GEF Assembly performs the role of GEF governing body and is comprised of representatives of all GEF member countries, of which there are currently 183. It is responsible for reviewing and evaluating the proposed replenishment amount for the next programming period of the GEF, together with any reform proposals regarding GEF policies and programming. The GEF Assembly is also responsible for considering and approving proposed amendments to the Instrument for the Establishment of the Restructured Global Environment Facility (GEF Instrument), the set of rules by which the GEF operates.

3. Paragraph 34 of the GEF Instrument provides that:

> Amendment or termination of the present instrument may be approved by consensus by the Assembly upon the recommendations of the Council, after taking into account the views of the Implementing Agencies and the Trustee, and shall become effective after adoption by the Implementing Agencies and the Trustee in accordance with their respective rules and procedural requirements.

4. On 2 June 2014, the GEF CEO/Chairperson wrote to the Administrator to communicate the decision of the Fifth GEF Assembly to approve by consensus various amendments to the GEF Instrument and to invite the GEF CEO/Chairperson to request the implementing agencies and the Trustee to adopt the amendments in accordance with their respective rules and procedural requirements. A copy of the letter is contained in annex I. The United Nations Environment Assembly, at its first session in June 2014, adopted the amendments in full. The World Bank Board of Directors is scheduled to consider the proposed amendments in late July 2014.

5. Amendments have been made to the GEF Instrument on three prior occasions and all have been adopted by the Executive Board, as well as the governing bodies of the World Bank and UNEP. The first amendments were adopted by the Executive Board at its annual session of 2003. The amendments added "land degradation" and "persistent organic pollutants" as two new GEF focal areas. The second amendment was adopted by the Executive Board at its annual session of 2007. The amendment was to require GEF Council meetings to take place at the seat of the GEF secretariat unless otherwise decided by the Council. The third set of amendments was adopted by the Executive Board at its first regular session of 2011. The two amendments concerned revision of the process for the appointment and tenure of the CEO/Chairperson, and confirmation of the availability of the GEF to serve as a financial mechanism of the United Nations Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification, particularly in Africa (UNCCD).

II. Amendments to the Instrument for the Establishment of the Restructured Global Environment Facility

6. Upon the recommendation of the GEF Council, the Fifth GEF Assembly has adopted five amendments to the GEF Instrument. A copy of the decision of the GEF Assembly is contained in Annex II. Details of the five amendments are below.

Amendment 1: Confirmation that the GEF shall operate as one of the entities comprising the financial mechanism of the Minamata Convention on Mercury

7. The amendment proposes to add a new subparagraph (e) to paragraph 6 of the GEF Instrument which provides that the GEF shall:

> (e) Operate as one of the entities comprising the financial mechanism of the Minamata Convention on Mercury, pursuant to its Article 13, paragraphs 5, 6 and 8. In such respects, the GEF shall operate under the guidance of, and be accountable to the Conference of the Parties, which shall provide guidance on overall strategies, policies, program priorities and eligibility for access to and utilization of financial resources. In addition, the GEF shall receive guidance from the Conference of the Parties on an indicative list of categories of activities that could receive support; and shall provide resources to meet the agreed incremental costs of global environmental benefits and the agreed full costs of some enabling activities, pursuant to Article 13, paragraph 7, of the Minamata Convention on Mercury.

8. This amendment is in positive response to the invitation from the Conference of Plenipotentiaries on the Minamata Convention on Mercury, which adopted the Convention and opened it for signature on 10 October 2013 in Kumamoto, Japan and also adopted Resolution 2 on financial arrangements that:

> Invites the Council of the GEF to give effect to the inclusion of the GEF Trust Fund as part of the financial mechanism of the Minamata Convention and to recommend to the Assembly of the GEF, as a matter of urgency, that it make any adjustments to the Instrument for the Establishment of the Restructured Global Environment Facility that are necessary to allow it to fulfil its role in the financial mechanism.

9. The Administrator welcomes the decision of the Conference and the proposed amendment to the GEF Instrument to affect this.

Amendment 2: Clarifications of the GEF responsibilities under each of the conventions it serves

10. The preceding amendment provides the opportunity to further amend paragraph 6 of the GEF Instrument in order to update and further clarify GEF responsibilities under each of the conventions it serves in an orderly fashion. This includes updating references in the text to make it clear that the GEF shall function under the guidance of, and be accountable to, the respective conventions. It also updates text to include relevant decisions, articles and paragraphs.

11. The revised paragraph 6, incorporating these amendments reads as follows:[1]

"6. In partial fulfillment of its purposes, the GEF shall:

(a) Operate the financial mechanism for the implementation of the United Nations Framework Convention on Climate Change (UNFCCC), on an interim basis, in accordance with such cooperative arrangements or agreements as may be made pursuant to paragraphs 27 and 31 of this Instrument. The GEF shall also be available to meet the agreed full costs of activities described in Article 12, paragraph 1, of the UNFCCC. The GEF shall be available to continue to serve for the purposes of the financial mechanism for the implementation of the UNFCCC if it is requested to do so by the Conference of the Parties pursuant to its Article 11, paragraph 4. In such respects, the GEF shall function under the guidance of, and be accountable to, the Conference of the Parties which shall decide on policies, program priorities and eligibility criteria related to the UNFCCC pursuant to its Article 11, paragraph 1;

(b) Be, on an interim basis, the institutional structure which carries out the operation of the financial mechanism for the implementation of the Convention on Biological Diversity (CBD), in accordance with such cooperative arrangements or agreements as may be made pursuant to paragraphs 27 and 31 of this Instrument. The GEF shall be available to continue to serve for the purposes of the financial mechanism for the implementation of the CBD if it is requested to do so by the Conference of the Parties pursuant to its Article 21, paragraph 3. In such respects the GEF shall function under the guidance of, and be accountable to, the Conference of the Parties which shall decide on policies, program priorities and eligibility criteria for the purposes of the CBD pursuant to its Article 21, paragraph 1;

(c) Be available to serve as an entity entrusted with the operation of the financial mechanism of the Stockholm Convention on Persistent Organic Pollutants. In such respects the GEF shall function under the guidance of, and be accountable to, the Conference of the Parties which shall decide on policies, strategy, program priorities and eligibility criteria for the purposes of this Convention pursuant to its Article 13, paragraph 7(a);

(d) Be available to serve as a financial mechanism of the United Nations Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification, particularly in Africa (UNCCD), pursuant to Article 20, paragraph 2 (b), and Article 21 of the UNCCD. The Council shall consider and approve arrangements to facilitate collaboration between the GEF and the

[1] The current version of paragraph 6, without these amendments, reads:

"6. (a) In partial fulfillment of its purposes, the GEF shall, on an interim basis, operate the financial mechanism for the implementation of the United Nations Framework Convention on Climate Change and shall be, on an interim basis, the institutional structure which carries out the operation of the financial mechanism for the implementation of the Convention on Biological Diversity, in accordance with such cooperative arrangements or agreements as may be made pursuant to paragraphs 27 and 31. The GEF shall be available to continue to serve for the purposes of the financial mechanisms for the implementation of those conventions if it is requested to do so by their Conferences of the Parties. The GEF shall also be available to serve as an entity entrusted with the operation of the financial mecnanism of the Stockholm Convention on Persistent Organic Pollutants. In such respects, the GEF shall functio.i under the guidance of, and be accountable to, the Conf·rences of the Parties which shall decide on policies, program priorities and eligibility criteria for the purposes of the conventions. The GEF shall also be available to meet the agreed full costs of activities under Article 12, paragraph 1, of the United Nations Framework Convention on Climate Change.
(b) The GEF shall be available to serve as a financial mechanism of the United Nations Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification, particularly in Africa (UNCCD), pursuant to Article 20, paragraph 2(b), and Article 21 of the Convention. The Council shall consider and approve arrangements to facilitate collaboration between the GEF and the UNCCD and among countries with respect to affected countries, particularly Africa."

UNCCD and among countries with respect to affected countries, particularly Africa; and

(e) Operate as one of the entities comprising the financial mechanism of the Minamata Convention on Mercury, pursuant to its Article 13, paragraphs 5, 6 and 8. In such respects, the GEF shall operate under the guidance of, and be accountable to the Conference of the Parties, which shall provide guidance on overall strategies, policies, program priorities and eligibility for access to and utilization of financial resources. In addition, the GEF shall receive guidance from the Conference of the Parties on an indicative list of categories of activities that could receive support; and shall provide resources to meet the agreed incremental costs of global environmental benefits and the agreed full costs of some enabling activities, pursuant to Article 13, paragraph 7, of the Minamata Convention on Mercury."

12. The Administrator welcomes this decision and the resulting proposed amendments to and clarifications in the GEF Instrument.

Amendment 3: To replace the "ozone layer depletion" and "persistent organic pollutants" focal areas with the "chemicals and waste" focal area

13. The GEF Instrument, in paragraph 2, separately identifies persistent organic pollutants and ozone depleting substances as two focal areas. Pursuant to the consultative process on financing options for chemicals and waste that was launched by the UNEP Executive Director at the Fourth Conference of the Parties of the Stockholm Convention, and adoption by the 27th UNEP Governing Council (decision 27/12) in February 2013, the GEF was invited to revise its focal area structure and strategy in order to address the chemicals and waste agenda, and consider ways of further strengthening its relations with the conventions it serves as a financial mechanism. In September, 2012, the third session of the International Conference on Chemicals Management invited the GEF in the process of the sixth replenishment to consider the priorities and activities identified in the Strategic Approach to International Chemicals Management in support of the achievement of its objectives.

14. The Fifth GEF Assembly, upon recommendation of the GEF Council, therefore approved an amendment to paragraph 2 of the instrument that would delete subparagraphs (e) and (f) and replace them with a new subparagraph (e) so that paragraph 2 would read:

"2. The GEF shall operate, on the basis of collaboration and partnership among the Implementing Agencies, as a mechanism for international cooperation for the purpose of providing new and additional grant and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environmental benefits in the following focal areas:

(a) biological diversity;

(b) climate change;

(c) international waters;

(d) land degradation, primarily desertification and deforestation; and

(e) chemicals and waste."

15. The Administrator welcomes the decision and the resulting proposed amendment to the GEF Instrument.

Amendment 4: To update the eligibility criteria for accessing GEF funding

16. Country eligibility for GEF funding is defined in paragraph 9 of the GEF Instrument. The key provisions are paragraphs 9(a) and 9(b) which currently state:

> "GEF funding shall be made available for activities within the focal areas defined in paragraphs 2 and 3 of this Instrument in accordance with the following eligibility criteria:
>
> (a) GEF grants that are made available within the framework of the financial mechanisms of the conventions referred to in paragraph 6 shall be in conformity with the eligibility criteria decided by the Conference of the Parties of each convention, as provided under the arrangements or agreements referred to in paragraph 27.
>
> (b) All other GEF grants shall be made available to eligible recipient countries and, where appropriate, for other activities promoting the purposes of the Facility in accordance with this paragraph and any additional eligibility criteria determined by the Council. A country shall be an eligible recipient of GEF grants if it is eligible to borrow from the World Bank [International Bank for Reconstruction and Development] (IBRD) and/or [International Development Association] (IDA) or if it is an eligible recipient of UNDP technical assistance through its country Indicative Planning Figure (IPF). GEF grants for activities within a focal area addressed by a convention referred to in paragraph 6 but outside the framework of the financial mechanism of the convention, shall only be made available to eligible recipient countries that are party to the convention concerned."

17. The current text in paragraph 9(b) of the GEF Instrument concerning 'all other GEF grants' (i.e., those not made available within the framework of the conventions to eligible countries) contains out-of-date text regarding the World Bank and UNDP. Since the establishment of the GEF Instrument, the World Bank (IDA) introduced grants for a select group of low-income countries during the IDA-12 replenishment period (2000-2002). Furthermore, UNDP regular resources for country-level programme activities are now allocated within the framework of targets for resource assignments from the core (known as 'TRACs') instead of the IPF.[2]

18. Therefore, the Fifth GEF Assembly, in consultation with the GEF Council, approved an amendment to the relevant text in paragraph 9 (b) as follows:

> A country shall be an eligible recipient of GEF grants if it is eligible to receive World Bank (IBRD and/or IDA) financing or if it is an eligible recipient of UNDP technical assistance through its target for resource assignments from the core (specifically TRAC 1 and/or TRAC 2).

19. Based on consultations with the GEF secretariat, UNDP understands that this amendment is intended simply to update textual references in paragraph 9(b), and not to amend the underlying eligibility criteria for GEF funding set out in paragraph 9 of

[2] The TRAC is a three-tiered system in which TRAC-1 and TRAC-2 resources are linked in a combined pool, while TRAC-3 resources are made available through a separate pool. TRAC allocations form the financial foundation for the UNDP programmatic presence on the ground. 'TRAC-1' refers to the annual level of regular programme resources targeted to be available for an individual programme country during the programming period. TRAC-2 was designed to provide the Administrator with the flexibility to allocate regular programme resources to high-impact, high-leverage and high-quality programme activities and to help UNDP to respond effectively to differentiated country needs (Executive Board Decision 2013/4). From a substantive perspective, TRAC-2 resources are considered fully fungible with TRAC-1 resources. They are allocated, on non-formula-based criteria, in line with regional TRAC-1 allocations. TRAC-3 was established to provide UNDP with the capacity to respond quickly and flexibly to the development needs of countries affected by conflicts and natural disasters.

the GEF Instrument. Countries that are eligible to receive grants within the framework of the relevant conventions under paragraph 9(a) will continue to be eligible, and for all other grants a recipient country will be eligible if it is eligible to receive World Bank (IBRD and/or IDA) financing or if it is an eligible recipient of UNDP technical assistance through its target for resource assignments from the core (specifically TRAC 1 and/or TRAC 2).

20. The Administrator welcomes this decision and the proposed amendment to the GEF Instrument so as to update the text concerning eligibility requirements under the GEF.

Amendment 5: Amendments to paragraphs 11 and 21 of the GEF Instrument relevant to the evaluation function of the GEF

21. The GEF Council meeting in November 2013 agreed to change the name of the Evaluation Office to Independent Evaluation Office (IEO). The Fifth GEF Assembly approved the recommendation of the GEF Council to revise paragraph 11 to include reference to the IEO as follows :

> The GEF shall have an Assembly, a Council and a Secretariat including an independent evaluation office. In accordance with paragraph 24, a Scientific and Technical Advisory Panel (STAP) shall provide appropriate advice.

22. Furthermore, the Fifth GEF Assembly Council approved the recommendation of the GEF Council to revise paragraph 21 of the GEF Instrument to include a new subparagraph 21(i) that asserts the independence of the evaluation function, as follows, and adjusts the numbering of subsequent paragraphs:

> (i) there shall be an independent evaluation office headed by a director, appointed by and reporting to the Council, whose responsibility it is to carry out independent evaluations consistent with decisions of the Council;

23. The Administrator welcomes this decision and the resulting proposed amendment to the GEF Instrument that asserts the independence of the evaluation function of the GEF. This is not in any way interpreted by UNDP to impact on the function or independence of the UNDP Independent Evaluation Office and its relationship to the GEF IEO.

III. Recommendation and implications for UNDP

24. It is recommended that the Executive Board adopt the amendments as adopted by consensus of the Fifth GEF Assembly. The Administrator welcomes the invitation of the Fifth GEF Assembly to adopt the amendments, and there are no known materially adverse implications for UNDP regarding any of the proposed amendments.

Annex I. Letter dated 2 June 2014 from the Chief Executive Officer/Chairperson of the Global Environment Facility (GEF) to the UNDP Administrator to communicate the decision of the Fifth GEF Assembly to approve by consensus various amendments to the GEF Instrument

GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

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June 02, 2014

Ms. Helen Clark
Administrator
United Nations Development Programme (UNDP)
New York, USA

Dear Ms. Clark,

It gives me great pleasure to inform you that the Fifth GEF Assembly held in Cancun, Mexico, May 28-29, 2014, approved by consensus, upon the recommendation of the Council, a few amendments to the *Instrument for the Establishment of the Restructured GEF*.

The amendments to the Instrument address five matters:

(a) Confirmation that the GEF shall operate as one of the entities comprising the financial mechanism of the Minamata Convention on Mercury, which shall provide guidance on overall strategies, policies, program priorities and eligibility for access to and utilization of financial resources;

(b) Reorganization of paragraph 6, in order to separate the GEF role for each Convention it serves;

(c) Replacement of the focal areas of ozone layer depletion and of persistent organic pollutants by the focal area of chemicals and waste;

(d) Update of the eligibility criteria of countries to receive GEF funding, to reflect changes in UNDP's target for resource assignments from the core (specifically TRAC-1 and/or TRAC-2); and the World Bank's provision of grants to less developed countries; and

(e) Inclusion of references to the Independent Evaluation Office.

The approved text of the amendments is set forth in the Decision of the Fifth GEF Assembly attached to this letter.

As requested in the Assembly's decision, I am submitting these amendments to UNDP in its capacity as a GEF Implementing Agency to facilitate the adoption of the amendments in accordance with your respective rules and procedural requirements.

I would appreciate it if you would keep us informed of the progress made in adopting these amendments so that we can confirm the effectiveness of the amendments and inform the Council and all Participants accordingly.

I would also like to inform you that I have transmitted the *Summary of Negotiations of the Sixth Replenishment of the GEF Trust Fund* (document GEF/C.46/07/Rev.01) to the World Bank with a request that the World Bank Executive Directors be invited to adopt Annex C to this Summary, *Draft World Bank Resolution No. ____, The Global Environment Facility Trust Fund: Sixth Replenishment of Resources*, thereby authorizing the World Bank, as Trustee of the GEF Trust Fund, to manage the resources made available under GEF-6.

The policy recommendations associated with the replenishment will be addressed by the GEF Council as part of its ongoing work.

I would like to express my highest appreciation to you and your colleagues for the significant contribution that you made to the successful conclusion of the Fifth GEF Assembly. I look forward to working with you in implementing the recommendations and decisions of the Assembly and the replenishment process.

Sincerely,

Naoko Ishii
CEO and Chairperson

c.c.: Council Members and Alternates

Annex II. Decision of the Fifth GEF Assembly, held in Cancún, Mexico on 28-29 May 2014, to adopt five amendments to the GEF Instrument

Decision of the Assembly
The Fifth GEF Assembly,

Recalling paragraph 34 of the *Instrument for the Establishment of the Restructured Global Environment Facility*,

Having considered the recommendations of the GEF Council for proposed amendments to the Instrument,

1. Approves by consensus the following amendments to the Instrument:

To delete current paragraph 6 and replace it with a new paragraph 6 that would read:

6. In partial fulfillment of its purposes, the GEF shall:

(a) Operate the financial mechanism for the implementation of the United Nations Framework Convention on Climate Change (UNFCCC), on an interim basis, in accordance with such cooperative arrangements or agreements as may be made pursuant to paragraphs 27 and 31 of this Instrument. The GEF shall also be available to meet the agreed full costs of activities described in Article 12, paragraph 1, of the UNFCCC. The GEF shall be available to continue to serve for the purposes of the financial mechanism for the implementation of the UNFCCC if it is requested to do so by the Conference of the Parties pursuant to its Article 11, paragraph 4. In such respects, the GEF shall function under the guidance of, and be accountable to, the Conference of the Parties which shall decide on policies, program priorities and eligibility criteria related to the UNFCCC pursuant to its Article 11, paragraph 1;

(b) Be, on an interim basis, the institutional structure which carries out the operation of the financial mechanism for the implementation of the Convention on Biological Diversity (CBD), in accordance with such cooperative arrangements or agreements as may be made pursuant to paragraphs 27 and 31 of this Instrument. The GEF shall be available to continue to serve for the purposes of the financial mechanism for the implementation of the CBD if it is requested to do so by the Conference of the Parties pursuant to its Article 21, paragraph 3. In such respects the GEF shall function under the guidance of, and be accountable to, the Conference of the Parties which shall decide on policies, program priorities and eligibility criteria for the purposes of the CBD pursuant to its Article 21, paragraph 1;

(c) Be available to serve as an entity entrusted with the operation of the financial mechanism of the Stockholm Convention on Persistent Organic Pollutants. In such respects the GEF shall function under the guidance of, and be accountable to, the Conference of the Parties which shall decide on policies, strategy, program priorities and eligibility criteria for the purposes of this Convention pursuant to its Article 13, paragraph 7(a);

(d) Be available to serve as a financial mechanism of the United Nations Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification, particularly in Africa (UNCCD), pursuant to Article 20, paragraph 2 (b), and Article 21 of the UNCCD. The Council shall consider and approve arrangements to facilitate collaboration between the GEF and the UNCCD and among countries with respect to affected countries, particularly Africa; and

(e) Operate as one of the entities comprising the financial mechanism of the Minamata Convention on Mercury, pursuant to its Article 13, paragraphs 5, 6 and 8. In such respects, the GEF shall operate under the guidance of, and be accountable to the Conference of the Parties, which shall provide guidance on overall strategies, policies, program priorities and eligibility for access to and utilization of financial resources. In addition, the GEF shall receive guidance from the Conference of the Parties on an indicative list of categories of activities that could receive support; and shall provide resources to meet the agreed incremental costs of global environmental benefits and the agreed full costs of some enabling activities, pursuant to Article 13, paragraph 7, of the Minamata Convention on Mercury.

To delete sub-paragraphs (e) and (f) of paragraph 2 of the Instrument and replace them with a new sub-paragraph (e) that would read:

(e) chemicals and waste.

To delete sub-paragraph (b) of Paragraph 9 and replace it with a new sub-paragraph (b) that would read:

(b) All other GEF grants shall be made available to eligible recipient countries and, where appropriate, for other activities promoting the purposes of the Facility in accordance with this paragraph and any additional eligibility criteria determined by the Council. A country shall be an eligible recipient of GEF grants if it is eligible to receive World Bank (IBRD and/or IDA) financing or if it is an eligible recipient of UNDP technical assistance through its target for resource assignments from the core (specifically TRAC-1 and/or TRAC-2). GEF grants for activities within a focal area addressed by a convention referred to in paragraph 6 but outside the framework of the financial mechanism of the convention, shall only be made available to eligible recipient countries that are party to the convention concerned.

To delete paragraph 11 and replace it with a new paragraph 11 that would read:

11. The GEF shall have an Assembly, a Council, and a Secretariat including an independent evaluation office. In accordance with paragraph 24, a Scientific and Technical Advisory Panel (STAP) shall provide appropriate advice.

To expand paragraph 21 to include the IEO in a new sub-paragraph (i) that would read:

21. (i) there shall be an independent evaluation office headed by a director, appointed by and reporting to the Council, whose responsibility it is to carry out independent evaluations consistent with decisions of the Council; and

The current sub-paragraph (i) would become a new-subparagraph (j) that would read:

(j) perform any other functions assigned to the Secretariat by the Council.

2. Invites the CEO/Chairperson of the Facility to submit this amendment to the Implementing Agencies and the Trustee and to request that they adopt the amendments in accordance with their respective rules and procedural requirements.

3. Invites the CEO/Chairperson of the Facility to inform all Participants of the effectiveness of the amendments once the Implementing Agencies and the Trustee have approved it.